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SECURITY INFORMATION

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German Democratic Republic

FDD Abstract of [ ]

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REGULATIONS AND PROCEDURES FOR THE "RE" SYSTEM OF BILL COLLECTION ( 16 pp; [ ]

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This 16-page photostated document furnishes information on the regulations and procedures governing the new "RE" [ Rechnungs-Einzug -- bill collection ] system for collection of bills.

The document describes:

A. General regulations

Participants in the system; participating credit institutions; types of claims which may be collected by the RE system.

B. Forms and procedures

Forms, and setting up of card index files.

C. Time allowed for various steps in transactions

Deadline for submitting documents; validity of RE order; period allowed to the purchaser to make objections to the RE order; extension of time for payment; time period allowed for complaints.

D. Granting of credits

People-owned economy and consumers' cooperatives; other cooperatives, private enterprises, and individuals.

E. Valid acceptance of an RE order

Negative acceptance (no objection to RE order); positive acceptance; refusal to accept RE order.

F. Handling of RE orders

Duties of the seller; duties of the seller's bank; duties of the purchaser's bank; duties of the purchaser.

G. Exclusion from the RE system

H. Fees.

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German Democratic Republic

FDD Abstract of  
25X1CREORGANIZATION OF THE GDR BANKING SYSTEM AND CURRENCY CIRCULATION ( 6 pp;  
25X1X

This 6-page document is a typewritten copy of a report on the reorganization of the GDR banking and currency circulation. The desired changes are to be achieved by reorganizing the following four main institutions:

I. The DN (Deutsche Notenbank -- German Bank of Issue)

Its task is the regulation and control of cash circulation. All other account-keeping institutions, including the postal checking account system, are to be liquidated under the reorganization. The postal checking account system was to have been incorporated into the DN by 1 January 1952, but the action was stopped by the Soviet Control Commission as premature. Detailed preparatory measures ~~are described in the document~~ for eventual incorporation are described in the document.

The German postal checking account system will take over the functions of the DN wherever there are no DN branches. The other free-money institutions will be brought under DN control in a similar manner. Exercise of control by the DN: 1. Through a control agency consisting of 800 -1,000 persons; 2. through new regulations on cashless payments: a) the bank statement -- acceptance system [RE system] for payment of bills, similar to the Soviet system; b) the letter of credit system; and c) the clearing system.

II. The German Investment Bank

It is charged with the tasks of financing investments, general repairs, and long-term credits. Its methods of financing: 1. Funds for new investments -- from the budget; 2. funds for replacement investments, general repairs, and small investments -- through payment of regular amortizations to the German Investment Bank. Control measures are to be maintained.

III. The Savings Bank Federation

It is charged with gathering in money from small depositors and granting of short-term credits. All other savings institutions are to be included in the savings bank federation. This institution is charged with the following tasks: 1. Setting up of branches in all medium and large-sized plants. All employees must maintain accounts. No more cash payments are to ~~made~~ be made for wages and salaries. HO (Trade Organization) sales offices will also be set up in the plants; therefore, payments can be made on a cashless basis. 2. Short-term credits are to be granted to workers and employees if they are in urgent need of the money. Once this system will be in operation all transactions of workers and employees will be on a cashless basis. Only about 5-10 DM in cash per week will be allowed; if more is required detailed explanations will be necessary.

IV. Farmers' Cooperatives

The farmers' cooperatives will take over the activities of all banking institutions which have been active in the field of agriculture. Limits will be placed on cash payments; wages and salaries will also be placed on a cashless basis sometime in the future. Short-term credits may be granted in a manner similar to that of the savings bank federation. For long-term credits security must be offered.

The governmental administrative section is now using the above method of cashless payment transactions.

The finance plan of the German Postal System for the first half of 1951 was fulfilled by only 86 percent. Reason: Control measures had an adverse effect on package and letter shipments (delays in transmittal, censorship). In building construction the financial plan for the first half of 1951 was 100 percent fulfilled; in addition 100 million DM were spent to prevent unemployment, a serious matter in the Magdeburg area. The financial plan for telecommunications for the same period was fulfilled by only 28 percent (shortages of nonferrous metals).

Under the Five-Year Plan postal shipments are to be seriously cut and telecommunications increased to a point where the 1955 capacity will be 360 percent of the 1936 figure. The teletype system is to be expanded.

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29 February 1952

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German Democratic Republic

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INFORMATION ON THE MAXHUETTE AND HENNIGSDORF PLANTS, AND ON THE GDR ELECTRIC POWER  
SITUATION (2 pp; [ ] 25X1C

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This typewritten report, [ ] consists of  
three parts:1. Maxhuetette Plant, Unterwellenborn.

In the 1950 Finance Plan this plant's investments amounted to approximately 16.7 million marks, earmarked mainly for the construction of an ore sintering installation and a three-high thin-sheet rolling mill. Both of these installations, still under construction at present, are the first of their kind in East Germany. At present, mainly crude steel, electric steel, and spring steel are produced. In addition, production of thin sheet is planned. Production should have started on 1 January 1951, but because of the delay in the completion of the thin-sheet rolling mill, it had to be postponed.

2. Hennigsdorf Steel Mill.

At present, there are four Siemens-Martin furnaces in this plant with a total charge capacity of 250 tons, i.e., a daily capacity of approximately 750 tons. An electric furnace with a 10-ton charge capacity has just been put into operation. One more Siemens-Martin furnace with a 100-ton charge capacity is to start operating in 1951. Another 100-ton Siemens-Martin furnace is provided in the 1952 investment plan. The 1953 investment plan provides a 50-ton electric furnace and a 3-ton special electric furnace for the "Research and Development" department. One 10-ton electric furnace is provided in the 1954 investment plan.

The above investments take care of the investment program for the Hennigsdorf Mill within the Five-Year Plan. The total investment sum originally earmarked for this plant for the Five-Year Plan period was fixed at approximately 122 million marks.

About 5,700 workers are employed in the plant, more than 1,000 of them apprentices. Manager of the plant is Helmut Hensel, formerly manager of the Maxhuetette Plant. He is about 43 years old, about 6 feet tall, slim, blond, SED [member], formerly a tailor by profession, intelligent, friendly to workers. Technical manager of the plant is Dr. Kuentscher, engineer, metallurgical specialist, mainly a hardening specialist, about 48 years old, about 5'1" tall, pitiful figure, black hair, speaks with a slight Sachsen dialect; he is good in his profession, has a brutal manner, and is hated by all workers, including his professional colleagues. He is held in high esteem by the Soviet Control Commission in Karlshorst.

3. GDR Planning Commission.

Mrs. Schroeder, formerly head of a large light-industry enterprise, is the head of the "Coal and Power" department [of the Planning Commission]. She is about 55 years old, 5'4" tall, slender, gray hair, SED [member], ambitious, and straightforward. "gas", The main department is about to be subdivided into sections for "coal", "water", and "electric power". The Electric Power Section will have to plan the supply of electric power for all of East Germany and to work out regulations for the competent ministries. The electric power situation in the GDR is very tight. The present actual installed capacity of all power plants in the GDR amounts to about 80 megawatts, while the present requirements amount to about 115 megawatts. It is planned to raise the installed electric power capacity to 145 megawatts by 1954. In the opinion [ ] this plan cannot be realized.

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